

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1311 – SB 1309

April 1, 2009

**SUMMARY OF AMENDMENT (005834):** Deletes the language of the original bill. Removes authority from the Department of Finance and Administration (F&A) to transfer any Department of Transportation (TDOT) funds, reserve accounts, programs in the Highway Fund, or other specified funds. Authorizes transfers from Highway Fund pursuant to Tenn. Code Ann. § 47-18-1311.

FISCAL IMPACT OF ORIGINAL BILL:

(CORRECTED)

Increase State Revenue – \$1,100,000/Highway Fund

Decrease State Revenue – \$1,100,000/General Fund

Other Fiscal Impact – In future years when shortfalls exist, transfers from other state funds, reserve accounts, or programs would be required for year-end closings in lieu of any transfers that would have otherwise been made from transportation funds, transportation reserves, or the Highway Fund.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

**Other Fiscal Impact - In future years when shortfalls exist, transfers from other state funds, reserve accounts, or programs would be required for year-end closings in lieu of any transfers that would have otherwise been made from transportation funds, transportation reserves, or the Highway Fund.**

Assumptions applied to amendment:

- This bill will limit the ability of F&A to manage shortfalls in the future. A transfer of \$55,800,000 was made from the Highway Fund for closing out FY05-06; a transfer of \$30,300,000 was made from the Highway Fund for closing out FY06-07.
- The Commissioner of F&A is authorized under current law to transfer funds from the Highway Fund pursuant to Tenn. Code. Ann. § 47-18-1311.

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- According to F&A, the Division of Budget, \$1,100,000 will be transferred for FY09-10 from the Highway Fund pursuant to Tenn. Code Ann. § 47-18-1311 (page A-11 of the Governor's FY09-10 Recommended Budget).
- This bill as amended authorizes any transfers pursuant to Tenn. Code. Ann. § 47-18-1311.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible, and "W." in the middle.

James W. White, Executive Director

/rnc